OFFICE OF THE CITY CLERK

2008 DEC -4 PM 3: 18

INTRODUCED BY COUNCILMEMBER DE LA FUENTE

APPROVED AS TO FORM AND LEGALITY

City Attorney

ORDINANCE No. 12905 C.M.S.

AN ORDINANCE AUTHORIZING TRANSFER OF FUNDS FROM THE ELECTION CAMPAIGN FUND TO THE GENERAL FUND

WHEREAS, in 1999, the City Council enacted the Limited Public Financing Act and created the Election Campaign Fund (Chapter 3.13 of the Oakland Municipal Code); and

WHEREAS, the City is currently facing a severe budget crisis during the 2008-09 fiscal year including a \$42 million dollar budget deficit and the elimination of 139 positions; and

WHEREAS, a transfer of funds from the Election Campaign Fund helps to preserve critical services such as Community Policing, Recreation Programs and Library services which would otherwise have to be cut from the General Fund budget; and

WHEREAS, the City Council wishes to transfer funds from the Election Campaign Fund, beyond those disbursements and costs necessary to implement the Limited Public Financing Act for the 2008 primary and runoff municipal elections; and

WHEREAS, on October 21st, 2008, the City Council approved a resolution amending the 2008-09 fiscal year budget deficit and the approved resolution included a one-time transfer of funds from the Public Campaign Finance program; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The Oakland Municipal Code is hereby amended as set forth below, additions are indicated by <u>underscoring</u> and deletions are indicated by <u>strike-through type</u>; portions of ordinances not cited or not shown in underscoring or strike-through type are not changed:

3.13.050 Election campaign fund.

There is established an account within a special revenue fund of the city to be known as the "election campaign fund."

3.13.060 Appropriation of funds.

A. The City Council shall appropriate to the election campaign fund, under the city's current two-year budget cycle, an amount sufficient to fund all candidates eligible to receive limited matching funds for the following city offices: District City Councilmembers and School Board Director. Notwithstanding this or any other provision of law, this Act shall not apply to the elected office of School Board Director until the first election after the Oakland Unified School District regains all of its rights, duties and powers upon the completion of the conditions set forth in 2003 Cal. Stats., Chapter 14, Section 5(e).

B. The Public Ethics Commission shall provide in the form and at the time directed by the Mayor and City Manager a written estimate of the amount necessary to be appropriated for any two-year budget cycle according to the provisions of this Act for all eligible candidates. The amount of funds to be allocated to the election campaign fund shall be based on a consideration of anticipated campaign activity, anticipated administrative costs, and existing unspent funds within the account. The amount of funds to be allocated to the election campaign fund shall not exceed four hundred sixty thousand dollars (\$460,000.00) for any two-year budget cycle, except that the allocation may exceed four hundred sixty thousand dollars (\$460,000.00) to reflect changes in the consumer price index. The Public Ethics Commission may limit the allocation of funds for any primary election to assure that sufficient funds remain available for the general election.

C. The election campaign fund shall be established as an interest bearing account. Unspent funds in the election campaign fund at the end of a two-year budget cycle shall remain in the fund and accrue for disbursement to candidates eligible for matching funds in future elections and for administrative costs pursuant to subsection D of this section. In no event shall additional allocations to the fund be made to cause the available balance in the fund to exceed five hundred thousand dollars (\$500,000.00), to include allocations made to the Public Ethics Commission pursuant to subsection D of this section.

D. Up to 7.5 percent of the amount allocated to the election campaign fund pursuant to subsections A and B of this section may be utilized by the Public Ethics Commission to cover the anticipated cost of administering the provisions of this Act. The Public Ethics Commission shall make a sufficient proportion of such funds available to the City Auditor to conduct compliance reviews as provided in Section 3.13.100.

3.13.290 Transfer of funds to general fund

Notwithstanding any other ordinance, for the fiscal year 2008-2009, \$226,000 of the election campaign fund shall be transferred to the City's General Fund.

SECTION 3. Severability. If any article, section, subsection sentence, clause or phrase of this ordinance or exhibit is held to be invalid or unconstitutional, the offending portion shall be severed and shall not affect the validity of remaining portions which shall remain in full force and effect.

SECTION 4. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA,	NOV 1 8 2008	, 20
PASSED BY THE FOLLOWING VOTE:		
AYES - BROOKS, BRUNNER, CHANG, KERN	IGHAN, NADEL, QUAN	, and PRESIDENT DE LA FUENTE - 7
NOES - Q		
ABSENT - Reid - 1		,
ABSTENTION - Q	ATTES'	LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California

DATE OF ATTESTATION: